REMARKS/ARGUMENTS

Favorable reconsideration of this application as currently amended and in light of the following discussion is respectfully requested.

Claims 1-19 are currently pending. The present Amendment amends Claims 1 and 12. The changes to the claims are supported by the originally filed application, thus no new matter has been added.

In the outstanding Office Action, Claims 1-10 and 12-19 were rejected under 35 U.S.C. § 102(b) as anticipated by <u>Ito et al.</u> (U.S. Patent No. 5,748,179, herein "<u>Ito</u>") and Claim 11 was rejected under 35 U.S.C. § 103(a) as unpatentable over <u>Ito</u> in view of <u>Shiota et al.</u> (U.S. Patent No. 6,111,628, herein "<u>Shiota</u>").

In response to the rejection of Claims 1-10 and 12-19 under 35 U.S.C. § 102(b) as anticipated by <u>Ito</u>, and the rejection of Claim 11 under 35 U.S.C. § 103(a) as unpatentable over <u>Ito</u> in view of <u>Shiota</u>, Applicants respectfully traverse the rejections.

Amended Claim 1 describes a display device including a line terminal (see Fig. 2, element 12 as a non-limiting example) connected to both a lead line (13) and a terminal of a drive circuit (7) mounted in the peripheral area of the insulating substrate (1) by an anisotropic conductive material (16) through a transparent conductive film (15). Further, an external line terminal (10) is connected to an external line (9) formed on a periphery of the peripheral area of the insulating substrate (1) and connected to a terminal of the drive circuit (7) by the anisotropic conductive material (16). The surface of the line terminal (12) to be connected to the transparent conductive film (15) is formed by a high resistance conductive film and the surface of the external line terminal (10) to be connected to the terminal of the drive circuit (7) by the anisotropic conductive material (16) is formed by a low resistance conductive film. Thus, a display device with superior electrical connection between the terminal of the drive circuit (7) and the terminal of the insulating substance (10) is thereby

achieved. Amended Claim 12 is a method for manufacturing a display device similar to amended Claim 1.

The outstanding Office Action relies on <u>Ito</u> as describing the features of independent Claims 1 and 12. <u>Ito</u> describes a liquid crystal display device that comprises a line terminal (bump) connected to a lead line and connected to a terminal of a drive circuit mounted in the peripheral area of the insulating substrate by an anisotropic conductive material (ACF2) through a conductive film (ACF2), and an external line terminal connected to an external line and connected to a terminal of the drive circuit by the conductive material (ACF2). Further a surface of the line terminal to be connected to the transparent conductive film (ACF2) is formed by high resistance conductive film (d1), and a surface of the external line terminal to be connected to the terminal of the drive circuit by a conductive material (d1) is formed by a low resistance conductive film (g1).

However, Ito does not describe or suggest a configuration in which a display device has a line terminal connected to at least one of the lead lines in a peripheral area of the insulating substrate different from the display area, a transparent conductive film provided on the line terminal, an anisotropic conductive material provided on a transparent conductive film, a driver circuit with a terminal connected to the line terminal through the transparent film, an external line terminal connected to at least one of the external lines and connected to the terminal of the drive circuit by the anisotropic conductive material, the surface of the line terminal to be connected to the transparent conductive film is formed by a high resistance conductive film, and the surface of the drive circuit by the anisotropic conductive material is formed by a low resistance conductive film.

Therefore, <u>Ito</u> fails to teach or suggest every feature recited in Applicants' amended independent Claims 1 and 12, so that Claims 1-10 and 12-19 are patentably distinct over <u>Ito</u>.

¹ Ito, Fig. 22, Col. 4.

Accordingly, Applicants respectfully request reconsideration of the rejection under 35 U.S.C. § 102(b) based on Ito.²

Further, the outstanding Office Action relies on Shiota as describing the features of dependent Claim 11. Shiota describes that if the uneven height of the bump electrode is more than 3μ m, the conductive particles dispersed in the anisotropic conductive adhesive may not be able to provide electrical connection between the bump electrodes of the driver IC.³ However, Shiota does not describe the above noted elements of Claim 1. Therefore, Shiota fails to cure the deficiencies of Ito and thus Claim 11 is patentably distinct over Ito and Shiota.

Accordingly, Applicants respectfully submit independent Claim 1 and 12 and claims dependent therefrom are allowable.

Consequently, in view of the present amendment, no further issues are believed to be outstanding in the present application, and the present application is believed to be in condition for formal Allowance. A Notice of Allowance for Claims 1-19 is earnestly solicited.

Respectfully submitted,

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² See M.P.E.P. 2131: "A claim is anticipated <u>only if each and every</u> element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference," (Citations omitted) (emphasis added). See also M.P.E.P. 2143.03: "All words in a claim must be considered in judging the patentability of that claim against the prior art."

³ Shiota, Col. 6.